Introduction of IPER and key policy issues in the electricity sector of MONTENEGRO

SEERmap project meeting
Belgrade, 22-23 of September
Introduction of IPER (1)

• One of few economic think tanks in Montenegro, since 1993
• In 2011 licensed by the Ministry of Science as scientific-research organization
• Research areas:
  • Business Environment and Job Creation
  • Economic Reforms and Social policy
  • Regional Development
  • Energy sector
    • Focus on policies
    • Energy efficiency
• Spin-off company
Introduction of IPER (2)

• Some of the projects relevant for the topic:
  • Policy Analysis: Poverty and Environmental Impacts of Electricity Price Reforms in Montenegro
  • Green Entrepreneurship, relevant sectors and case study analysis
  • National Strategy for Sustainable Development 2030
  • Technical Assistance to Technical Assistance to the Energy Efficiency Unit (Exergia, Greece)
  • Feasibility Study Lastva to Pljevlja - Undersea power cable between MNE and Italy (WYG International, UK)
  • Feasibility Study for Biomass District Heating System of Kolasin (Mott MacDonald)
Introduction of IPER (3)

• Name of project participants
  • Institute for Entrepreneurship and Economic Development (IPER)
    • Mr Nikola Vujovic
    • Mr Igor Telebak
  • Ministry of Economy
    • Directorate for Energy Sector: Mr Miodrag Canovic/Ms Ana Asanovic
  • Ministry of Sustainable Development and Tourism
    • Directorate for Environment and Directorate for Climate Change TBC

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Key policy issues in the electricity sector

- Energy Development Strategy of Montenegro by 2030
- National Renewable Energy Action Plan
- Bylaw documents which governing renewable energy sources
- Bylaw documents (methodology) which governing allowed revenue and prices of regulated entities
- Ten year investment development plans of TSO and DSO
- Three year investment plans of TSO and DSO
Inputs to long term electricity scenarios

• Ten year investment development plans and three years investment plans of TSO and DSO
• Undersea power cable between MNE and Italy (additional investments: Substation 400/110/35 kV Lastva, Overhead line 400 kV Lastva - Pljevlja)
• RES support schemes (12 years period of status privileged producer, no balancing costs, guaranteed purchase of all production)
• 8 small HPP with status of privileged producer and finalization of construction wind plant Krnovo
• Around 17% of used hydro potential (possible HPP: Morača, Komarnica)
• Project of construction Second block of TPP Pljevlja
Any country specific problems?

• Specificity of electricity market consumption (one consumer with 20-25% share of total consumption)

• Dynamics of policy changes is not following the dynamics of the technology improvement (i.e. feed-in tariffs, stimulatory measures for RES in general)